

Message Text

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ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 FEAE-00 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-04 TRSE-00 FRB-03 PA-01 PRS-01

USIA-06 LAB-04 SIL-01 AGR-05 /098 W
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R 162037Z APR 75

FM AMEMBASSY PORT OF SPAIN

TO SECSTATE WASHDC 7624

INFO AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

LIMITED OFFICIAL USE PORT OF SPAIN 0849

E.O. 11652: N/A

TAGS: ELAB, PINT, ENRG, TD

SUBJ: DEVELOPMENTS IN OIL/SUGAR CRISIS

REF: POS 835

1. NEGOTIATIONS BETWEEN TEXACO AND THE OILFIELD WORKERS
TRADE UNION (OWTU) HAVE CONTINUED IN THE INDUSTRIAL COURT
WITH LITTLE REPORTED PROGRESS. THE OWTU HAS REDUCED ITS
WAGE DEMAND TO A 90 PERCENT INCREASE BUT THE COMPANY HAS STATED
THAT IT IS WAITING FOR A "REALISTIC" PROPOSAL BY THE UNION.
SEVERAL OTHER CONTRACT PROVISIONS REMAIN TO BE RESOLVED
INCLUDING A COST OF LIVING CLAUSE. AT THE REQUEST OF BOTH
PARTIES, THE COURT HAS GRANTED A TEN-DAY EXTENSION FOR
BILATERAL NEGOTIATIONS BEFORE THE COURT BEGINS ITS FORMAL
PROCEDURES.

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2. AWAY FROM THE BARGAINING TABLE THE UNION'S POSITION

HAS BEEN FURTHER WEAKENED BY THE GOVERNMENT'S ANNOUNCEMENT THAT IT WILL BUY OUT TEXACO'S MARKETING OPERATIONS (REFTEL) AND BEGIN IMMEDIATELY MAKING DELIVERIES OF GASOLINE TO TEXACO SERVICE STATIONS AND DISTRIBUTING TEXACO-PRODUCED BOTTLED DOMESTIC GAS TO THE PUBLIC. ALTHOUGH TANK WAGON DRIVERS FOR TRINTOC AND NATIONAL PETROLEUM HAVE MAINTAINED THEIR SYMPATHY STRIKE, DELIVERIES OF GASOLINE BY DEFENSE FORCE AND POLICE PERSONNEL HAVE BROUGHT THE FUEL AND TRANSPORTATION SITUATION NEARLY BACK TO NORMAL. OTHER MEMBERS OF THE OWTU WHO HAVE BEEN ON SYMPATHY STRIKES OR REFUSED TO CROSS PICKET LINES, INCLUDING SOME TEXACO STAFF EMPLOYEES AND SOME WORKERS ON OFFSHORE DRILLING AND PRODUCTION OPERATIONS, HAVE RETURNED TO WORK DESPITE ANOTHER OUTBREAK OF FIREBOMBING OF THE HOMES OF RETURNING TEXACO EMPLOYEES.

3. IN THE STILL-IDLE SUGAR INDUSTRY, MINISTER OF LABOR HECTOR MCLEAN REFERRED THE CONTRACT NEGOTIATIONS BETWEEN THE CARONI SUGAR MANUFACTURING COMPANY AND THE ALL TRINIDAD SUGAR WORKERS UNION TO THE INDUSTRIAL COURT AS AN UNRESOLVED DISPUTE. THE COURT HAS, HOWEVER, REFUSED TO BEGIN HEARING THE CASE UNTIL WORKERS RETURN TO THEIR JOBS; THE COMPANY AND THE UNION HAVE BEGUN TALKS ON THE CONDITIONS FOR A RESUMPTION OF WORK. IN THE MEANTIME MEMBERS OF THE DEFENSE FORCE HAVE BEGUN BAGGING, LOADING, AND DELIVERING ALREADY REFINED SUGAR FOR EXPORT AND FOR DOMESTIC CONSUMPTION. THE MANAGING DIRECTOR OF CARONI HAS ANNOUNCED PLANS TO IMPORT SUGAR FROM CUBA OR CANADA WHEN THE PRESENT SUPPLY IS EXHAUSTED.

4. THE THREE LEADERS OF THE UNITED LABOR FRONT (ULF)-GEORGE WEEKES, BASDEO PANDAY, AND RAFFIQUE SHAH-HAVE ANNOUNCED THEIR INTENTION TO "WALK" FROM SAN FERNANDO TO PORT OF SPAIN TO PROTEST THE LAW UNDER WHICH THE MARCH 18 "RELIGIOUS PROCESSION" WAS BROKEN UP BY THE POLICE. ACCORDING TO POLICE SOURCES, THE "WALK" WILL BE ALLOWED TO TAKE PLACE UNLESS IT DEVELOPS INTO A MASS MARCH. THE THREE MAY, HOWEVER, RUN INTO TROUBLE WITH THE JUDGE WHO IS HEARING THE CASE AGAINST THEM AND 29 OTHERS ARRESTED DURING THE ABORTED MARCH. UNDER THE TERMS OF THEIR RELEASE ON BAIL, THE DEFENDANTS AGREED NOT TO TAKE PART IN A MARCH WHILE THE CASE IS BEING TRIED AND THE JUDGE HAS INDICATED LIMITED OFFICIAL USE

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HE WILL HOLD THEM TO THIS AGREEMENT. WEEKES AND PANDAY HAVE ALSO BEEN ADDED TO THE LIST OF PERSONS-WHICH INCLUDES SHA-BANNED FROM APPEARING ON RADIO OR TELEVISION BECAUSE THEIR STATEMENTS ARE "POLITICAL".

5. THE TRINIDAD AND TOBAGO LABOUR CONGRESS (TTLIC) RETURNED TO THEIR CRITICISM OF WEEKES IN A BITTER OPEN LETTER IN WHICH THEY ACCUSED THE OWTU LEADER OF SELLING OUT THE INTERESTS OF

THE OIL WORKERS FOR SELFISH POLITICAL MOTIVES AND OF ACTUALLY RESCUING TEXACO FROM A DIFFICULT SITUATION. BY CALLING A STRIKE INSTEAD OF CONTINUING THE UNION'S EFFECTIVE GO-SLOW, THE TTLC SAID THAT THE UNION SAVED TEXACO THE EXPENSE OF MEETING ITS PAYROOL WHILE THE COMPANY CUT BACK ITS PRODUCTION DURING THE PRESENT WORLDWIDE OVERSUPPLY OF OIL. THE TTLC ALSO TOOK WEEKES TO TASK FOR NOT ACCEPTING THE DEMOCRATIC DECISION OF THE WORKERS AND THE TTLC NOT TO SUPPORT HIS CALL FOR A 24-HOUR GENERAL STRIKE BUT INSTEAD ASKING THE BUSINESS COMMUNITY TO SUPPORT HIS POLITICAL OBJECTIVES BY LOCKING OUT THEIR WORKERS FOR 24-HOURS. CONGRESS, THE LETTER DECLARED, WAS NOT PREPARED TO INVOLVE ITS AFFILIATES IN POLITICAL ENTANGLEMENTS AND CONFRONTATIONS UNRELATED TO LABOR OR INDUSTRIAL MATTERS.

6. COMMENT: IN THE FACE OF THE GOVERNMENT'S INTERVENTION AND THE APPROACH OF THE RAINY SEASON WHICH WILL END WORK IN THE SUGAR CROP, INDICATIONS HAVE BEGUN TO APPEAR THAT THE WILL AND ABILITY OF THE SUGAR AND OIL WORKDERS TO CONTINUE THEIR STRIKES HAS WEAKENED CONSIDERABLY. THE GOVERNMENT'S POLICY OF RESTORING GASOLINE AND SUGAR SUPPLIES TO THE PUBLIC WHILE NOT MAKING ANY BASIC CONCESSIONS TO THE UNIONS OR FORCING THE COMPANIES INVOLVED TO DO SO HAS SEVERELY UNDERCUT THE EFFORTS OF THE STRIKING UNIONS TO BRING ECONOMIC AND POLITICAL PRESSURES ON THE COMPANIES AND ON THE GOVERNMENT TO BRING ABOUT A FAVORABLE SETTLEMENT. NEITHER CARONI, WHICH CAN NOW COVER ITS OPERATING EXPENSES FOR THIS YEAR BY FULFILLING ONLY TWO EXPORT CONTRACTS TOTTALLING 24,000 TONS AT ABOUT US\$1500 PER TON, NOR TEXACO'S UNDER A GREAT DEAL OF ECONOMIC PRESSURE TO SETTLE. ON THE OTHER HAND, THE GOVERNMENT, WHICH IS LOSING A GREAT DEAL OF REVENUE, SEEMS TO BE WILLING TO PAY THIS

PRICE TO AVOID TAKING A DIRECT ROLE IN THE DISPUTES WHICH LIMITED OFFICIAL USE

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COULD AID ITS POLITICAL ENEMIES.
MILLER

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